

Additional Renewal Information for Utah Licensed Contractors

from the Division of Occupational and Professional Licensing

May 2005

NEW CONTINUING EDUCATION REQUIREMENT FOR CONTRACTORS

A new continuing education requirement becomes effective for all Utah licensed contractors for the 2005-2007 license renewal cycle. The Utah Construction Trades Licensing Act, Title 58-55-501(21), states:

“Unlawful conduct includes, if licensed as a contractor, not completing a three-hour core education class and an additional three hours of professional education approved by the division and the Construction Services Commission within each two-year renewal cycle . . .”

Additionally, the following language has been proposed for the Construction Trades Licensing Act Rules to further clarify the continuing education requirements. It has been initially approved by the Construction Services Commission and is currently being prepared for public filing.

As soon as the new requirements are finalized, a letter will be sent to all contractor licensees explaining how to obtain and report completion of the education hours.

R156-55a-303b. Continuing Education - Standards.

(1) Continuing education courses are not required to be submitted for approval by the Commission, but must meet the following criteria:

- (a) content must be relevant to the practice of the construction trades and consistent with the laws and rules of this state;
- (b) learning objectives must be reasonably and clearly stated;
- (c) teaching methods must be clearly stated and appropriate;
- (d) faculty must be qualified, both in experience and in teaching expertise;
- (e) documentation of attendance must be provided; and

(f) all core education and professional education hours shall be clock hours.

(2) The three-hour core education requirement shall include the following course content areas:

- (a) Construction codes;
- (b) Construction laws and rules; and
- (c) Construction practices.

(3) Credit for core education and professional education shall be recognized in accordance with the following. Hours shall be recognized for core education and professional education completed in blocks of time of not less than 50 minutes, in formally established classroom courses, seminars, lectures, conferences, training sessions or distance learning modules, which meet the criteria listed in subsection (1) above, and conducted by, or under the sponsorship of:

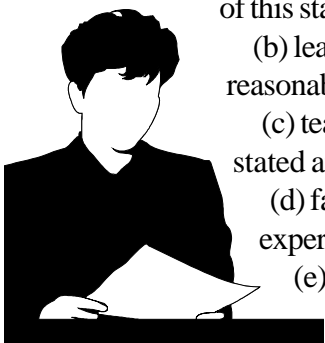
- (a) a recognized university or college;
- (b) a state agency;
- (c) a professional association, including:
 - (i) the Home Builders Association;
 - (ii) the Associated General Contractors Association;
 - (iii) the Associated Builders and Contractors

Association;

- (iv) the Mechanical Contractor's Association; or
- (d) other recognized education programs as approved by the Commission with the concurrence of the Director.

(4) Professional education shall not include courses in office and business skills, physical well-being and personal development, and meetings held in conjunction with the general business of the licensee.

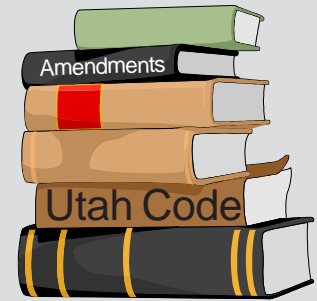
(5) A licensee shall be responsible for maintaining competent records of completed core and other continuing education for a period of two years after the two-year period to which the records pertain.



Update Notice: Current Statewide Codes

The following statewide codes have been adopted by the Uniform Building Code Commission and are currently in effect for the state of Utah:

- ▶ 2003 Edition of the International Building Code
- ▶ 2003 Edition of the International Residential Code
- ▶ 2003 Edition of the International Plumbing Code
- ▶ 2003 Edition of the International Mechanical Code
- ▶ 2002 Edition of the National Electrical Code
- ▶ 2003 Edition of the International Fuel Gas Code
- ▶ 2003 Edition of the International Energy Conservation Code



Amendments to these codes can be downloaded from the Division's website: www.dopl.utah.gov (Select "Programs," then "Uniform Building Codes," and finally "Statutes and Rules.")

- ▶ R156-56-704 contains the IBC amendments
- ▶ R156-56-706 contains the NEC amendments
- ▶ R156-56-707 contains the IPC amendments
- ▶ R156-56-708 contains the IMC amendments
- ▶ R156-56-709 contains the IFGC amendments
- ▶ R156-56-710 contains the IECC amendments
- ▶ R156-56-711 contains the IRC amendments

Note that rules are subject to change January 1 and July 1 each year. Code books and amendments can be purchased through ICC: www.iccsafe.org

STATE CONSTRUCTION REGISTRY

Word is spreading throughout Utah's construction industry about the creation of the new State Construction Registry (SCR) and the requirements for use of the system. Its creation impacts every Utah construction project including commercial, residential, and public works projects.

The site, which went live May 1, 2005, provides a centralized, statewide system of filing the following three types of notices:

- 1) Notices of Commencement
- 2) Preliminary Notices
- 3) Notices of Completion

Required use of the SCR to protect lien rights is being implemented in two phases, based on the type of construction project:

May 1, 2005
public works and commercial projects

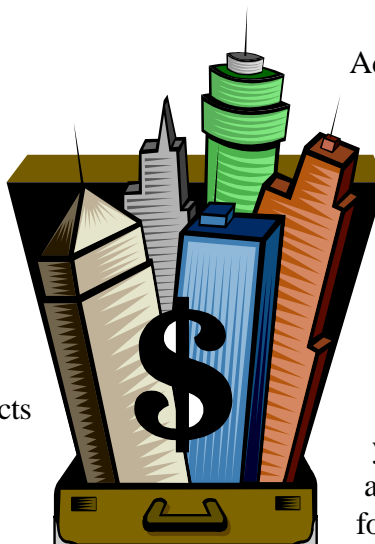
November 1, 2005
residential projects

It is vital for everyone involved in the construction industry to become completely educated on the new requirements of the system in order to know how to protect lien rights.

Information on these new requirements was mailed to every licensed contractor at the beginning of April. This same information can be accessed on DOPL's website (www.dopl.utah.gov). Look for the SCR link under "DOPL News" in the bottom right corner of the site.

Additionally, the SCR can be accessed directly at www.scr.utah.gov. This site includes an overview of the system, a schedule of upcoming education and training classes, access to account registration, and access to the site itself.

Again, it is critical for you as a contractor to stay informed about the new system and how it impacts your particular situation and your ability to protect your lien rights. You are encouraged to visit the SCR website often for timely updates.



SAVE TIME -- RENEW ONLINE!

www.dopl.utah.gov



DOPL's online renewal system is becoming a favorite among professional licensees:

- "I am computer illiterate, and I found this to be very easy. Thank you."
- "It's a great way to renew. I would recommend this process to any busy person!"
- "A totally painless experience. I don't think it could be any easier!"
- "I love the Internet option. You have made my life so much simpler. Thank you!"

The online system's greatest advantage is time savings. Once you have completed the online process, you can immediately print out a confirmation of online renewal which is as valid as a license certificate. If you choose to renew online, **DO NOT** mail the coupon or the questionnaire to DOPL -- the same questions are asked online.

Therefore, the Division strongly encourages you to use the online system. If you wish to renew your license online, but didn't get a renewal ID number, please call (801) 530-6628 or (866) 275-3675 -- toll-free in Utah only.

Note of Caution: Do not wait until July 31 to renew! As with most computer systems, waiting until the last day to renew online will take significantly more time if too many of Utah's 19,000 contractors try to renew on the same day, thereby overloading the online system. To avoid the rush, please renew early!

IF YOU CHOOSE TO RENEW BY MAIL...

- A. Mail your renewal coupon, questionnaire, and fees to DOPL before June 30 in order to receive a renewed license before the expiration of your current license.
- B. You must sign the certification on the renewal coupon or follow the instructions on the form, explaining why you cannot sign. Failure to do so will delay issuance of your renewed license.
- C. To avoid delays, please submit the renewal documents and fees correctly:

BLUE Envelope = signed renewal coupon and signed check or money order made payable to "DOPL"

GOLD Envelope = completed and signed "DOPL 2005/07 Contractor License Renewal Questionnaire"

Generic renewal forms are available on DOPL's website: www.dopl.utah.gov (On the contractor page, select the blue "Applications" bullet. The form is located at the top.)



DON'T FORGET!

Changing your Address: Please be aware that a change to your mailing address must be submitted to both DOPL and the Utah Division of Corporations in order to receive necessary correspondence from each agency. Each can be accessed from the Department of Commerce's website: www.commerce.utah.gov

"Borrowing" or "Lending" your License: Both activities are class A misdemeanors for each party involved. Even if companies are owned by the same person, they may not use one another's licenses nor are the licenses interchangeable.

Liability Insurance: ALL active licenses, whether the license holder is contracting or not, must maintain the minimum amount of general liability insurance (\$100,000 per occurrence/ \$300,000 aggregate).

3 Parts to Regulation -- What are you missing?

Many Utah contractors seem to be unaware that to legally operate as a contractor in the state you must maintain current licensure/registration in three areas:



NAME AND ENTITY REGISTRATION: By law, all Utah contractors are licensed as business entities (with one or more associated qualifiers) -- not as individuals. Therefore, all entities (sole-proprietor, partnership, corporation, LLC, etc.) must be registered with the Utah Division of Corporations and Commercial Code with one exception, as follows:

Someone operating as a sole proprietor under the owner's legal given name would not need to register with the Division of Corporations. For example, "John W. Doe" would not need to register, but "John W. Doe Construction" would need to register.

Please also note that except for a DBA, if your entity registration expires with the Division of Corporations, your contractor license will also automatically expire -- no matter what the expiration date is on the contractor license. You would then be required to not only reinstate/refile your entity registration, but also your professional contractor license.

To determine if your business is currently registered with the Division of Corporations, go to their Business Entity Search website: <https://secure.utah.gov/bes/>

OCCUPATIONAL AND PROFESSIONAL LICENSE: In addition to maintaining current business/entity registration, you must also obtain and maintain current professional licensure with the Division of Occupational and Professional Licensing (DOPL), unless lawfully exempted.



As a contractor, you must be licensed with exactly the same name as you registered with the Division of Corporations. If you are doing business in your legal given name, your legal name will be used. Also note that DOPL will not issue contractor licenses with the same identical name or with similar names that could result in confusion or mistakes -- *even if the Division of Corporations has registered the entity or entities.*

Finally, you must realize that since your contractor license is held by the entity, any change to that entity (i.e. a sole-proprietor changes to a corporation) requires one of the following actions along with the applicable fees:

- If you file a conversion with the Division of Corporations, you must file a conversion application with the Division of Occupational and Professional Licensing.
- If you file a new entity with the Division of Corporations, you must file a new application and obtain a new license under the new name or entity with the Division of Occupational and Professional Licensing.



CITY OR COUNTY BUSINESS LICENSE: Most construction companies must also register for a business license in the city or county that is their principal place of business. Check the government section of your phone directory for the number of your local business licensing office.

Renewal Deadlines!

- ▶ Entity Registrations for DBA's and partnerships renew every 3 years on the anniversary of initial registration.
- ▶ Entity registrations for corporations and LLC's must file annual reports in order to maintain their corporate status.
- ▶ Professional Contractor Licenses (through DOPL) renew July 31 of every odd-numbered year ('05, '07, etc.)
- ▶ City/County Business License renewal dates vary by location. Check with your local office for your renewal date.